

THE CITY OF MEMPHIS, TENNESSEE

Memphis is located on the east bank of the Mississippi River in the southwest corner of Tennessee. Memphis is the State's largest city and the county seat of Shelby County. The corporate limits contain 350 square miles, representing 45 percent of the total land area of Shelby County. Memphis ranks as the 20th largest city in the nation. The estimated population is 653,480 with a 2020 projected estimate of 665,705..

GOVERNMENTAL STRUCTURE

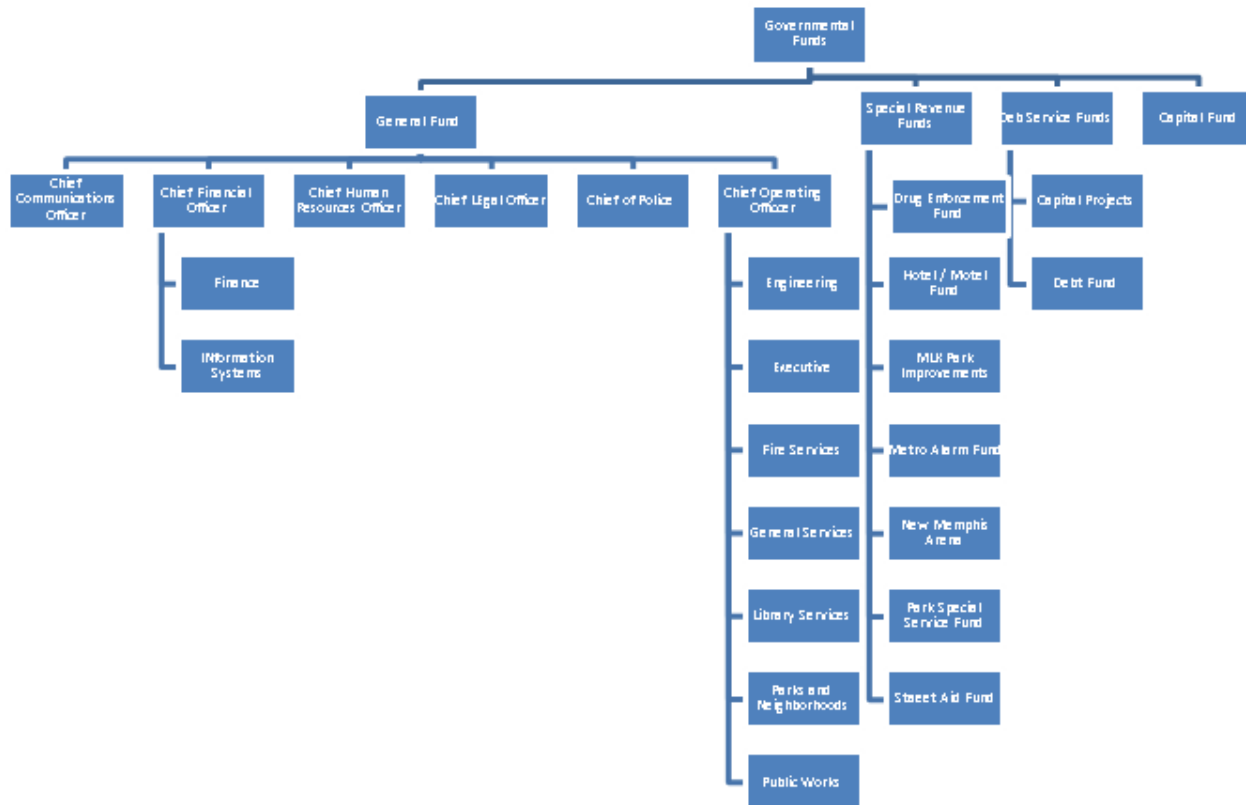
The City of Memphis was incorporated as a city in 1826. Memphis operated under a commission form of government from 1909 until January 1, 1968, when a Mayor – Council form of government was established. The City Council is composed of thirteen representative citizens who are elected for four-year terms. Six (6) council members are elected at large in multi-member districts, with territorial boundaries determined by dividing the City in half with each multi-member district consisting of three (3) council member positions. The remaining seven (7) members are elected by single member districts, numbers 1-7. The Council elects its own chairperson, exercises legislative powers, approves budgets and establishes the tax rate. The Mayor is elected to a four-year term. The Mayor carries out the policies of the City and appoints board members to various related organizations, joint owned ventures and board authorities. These include the boards of the Memphis Light, Gas and Water Division (MLG&W); Memphis Area Transit Authority; Memphis Housing Authority; Memphis and Shelby County Downtown Memphis Development Commission; Memphis & Shelby County Convention Center Complex; Memphis Brooks Museum of Art; Memphis & Shelby County Building Code Advisory Board; and the Memphis & Shelby County Public Library Board. The Mayor appoints five of the seven members of the Board of the Memphis & Shelby County Airport Authority. Most of the members of these boards are private citizens giving their time to the City without compensation.

The City's Operating Divisions are organized under Division Directors who report to one of six (6) Chiefs. All Division Directors and Chiefs are appointed by the Mayor and approved by the Council. The Chiefs who coordinate the activities of all administrative divisions of City government are as follows: Chief Financial Officer, Chief Operating Officer, Chief Communications Officer, Chief Human Resources Officer, Chief Legal Officer, and Chief of Police. The Chiefs act as liaisons between the Mayor and all divisions, bureaus, boards, commissions and authorities.

The administrative divisions of the City include: Engineering; Executive; Finance; Fire; General Services; Information Services; Housing and Community Development; Human Resources; Legal; Libraries; Parks; Office of Planning and Development, Police Services; and Public Works. There are three divisions with elected leadership: City Council; City Court Clerk and City Judges.

CITY OF MEMPHIS, TENNESSEE

Organization Chart (part 1 of 2)



GOVERNMENTAL FUNDS

The City's **General Fund** is the general Operating fund and supports the essential City services and activities. Fund revenues come primarily from a variety of Local and intergovernmental taxes, fees and fines.

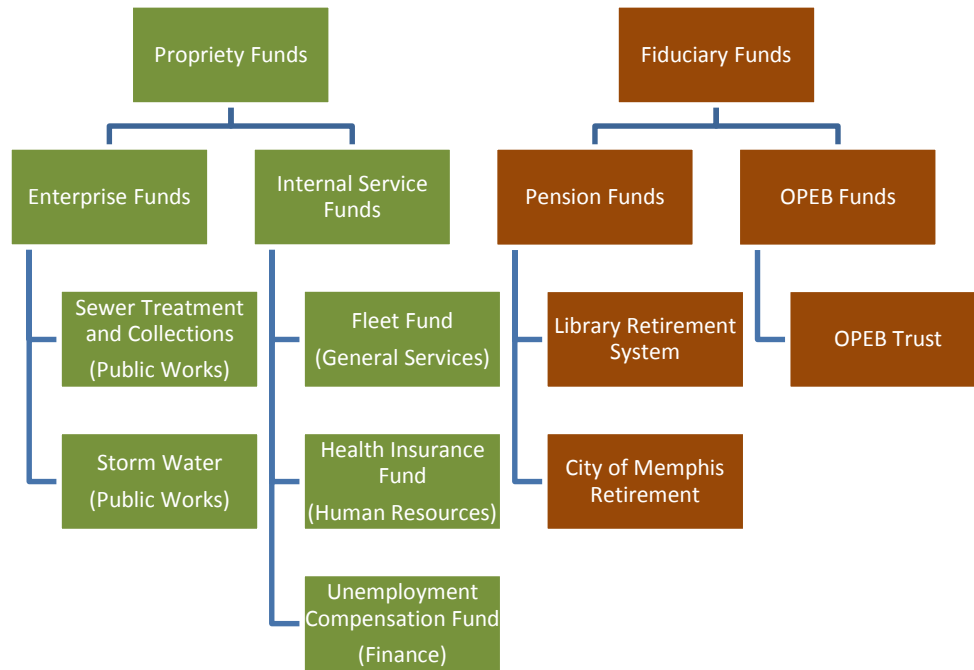
The City's **Special Revenue Funds** are used to account for revenues from specific sources that are designated to finance specific functions within the city.

The City's **Debt Fund** is used to account for resources that are restricted, committed, or assigned for payment of certain debt obligations and related costs.

Capital improvements are funded with the proceeds of bond issuances and state and federal grant funds.

The **Capital Fund** has its own budget Cycle. A separate appropriation is established after the CIP budget is finalized.

Organization Chart (part 2 of 2)



PROPRIETY FUNDS

Enterprise Funds are self- supporting, in that each fund derives its revenue from charges and associated user fees.

Internal Service Funds are used to budget for the costs of goods or services provided by one division or service center to another division for the City.

FIDUCIARY FUNDS

Fiduciary Funds are held by the City in a trustee or agency capacity. The include Pension and OPEB Funds..

BUDGET DEVELOPMENT PROCESS

The Budget Office (the Office) is responsible for coordinating the budget preparation for all Divisions and Funds of the City. The Office assembles financial data provided by City Divisions to develop the City's budget. After the compilation of all data the Budget Office coordinates the review and approval process of the Operating and Capital Improvement Budgets.

The Operating Budget is approved annually. The planning and development process begins in January for the following fiscal year. When financial preparation begins Divisions are asked to enter their financial data into the budget system over a three week period. The information is then analyzed and divisions are consulted with respect to noticeable budgetary changes. Administrative reviews are held with each division to further understand their budget request and then align them with the City's priorities. After finalizing any necessary revisions, the Proposed Operating Budget is submitted to the Mayor for final review and approval. The Mayor presents his administration's budget to the City Council (the Council) in April. The Council then conducts its own hearings to review the budget. With Council's revisions and approval the process is complete. Funding approvals are limited to one fiscal year.

The **Capital Improvement Program (CIP)** is a five-year plan, which is reviewed and approved annually, for priority, project changes, and additions. This plan identifies projects for current and future funding. The process for Capital Planning also begins in October with an evaluation current assets (buildings and infrastructure) and an evaluation of new capital needs. Discussions are conducted by an internal CIP committee which is represented by a cross section of Division leaders. CIP projects that make the final list are analyzed by the Finance Office to compare to Capital funding capacity. After Finance Office revisions, the CIP Budget is presented to the Mayor for review and final approval. The Mayor submits the plan to Council. The Council then conducts its own hearings to scrutinize the budget. The process ends in June with Council's approval of the budget. Although the Council approves a five year plan, spending is allocated for one year.

BUDGET CALENDAR**July – August**

Preparation of final documents for the new budget are completed. This includes the Adopted and CIP Budget Books.

Submission of Budget documents to the State Comptroller's Office.

Budget planning for the next year's budget.

September

Initial revenue trends and projections for the current year begin.

Budget training material developed.

October

Current Year 1st Quarter Actuals reviewed and review of revenue trends with external analyst begins.

November

Finance submits 1st Quarter Operating results of the new budget to the City Council.

Divisions submit CIP needs to the CIP Committee.

Overview of the next year's budget priorities given to Division Chiefs and Directors.

December, January

Revenue projections updated for current year and next year.

Budget meeting with divisions for 2nd Quarter forecast and next year's budget request.

Operating Budget training and initiation dates provided to Divisions.

CIP Budget training and initiation dates provided to Divisions.

February, March

Operating Budget/CIP Administrative hearings with divisions.

Operating Budget/CIP review with Mayor, and COO.

Final recommendations made and budget documents prepared.

April

The Mayor presents the Proposed Operating Budget and CIP Budget request to the City Council on the third Tuesday in April.

Ordinances and Resolutions covering the Proposed Budget are presented to Council.

Notifications of the Proposed Budget is published in the local newspaper.

Current year 3rd Quarter Actuals reviewed and a final full year forecast prepared for the current year.

May

Budget hearings with the City Council Operating Budget and CIP Committee to review the Proposed Budget.

June

Final Adopted Budgets are approved by the City Council.

Ordinances and resolutions associated with the Operating and CIP Budgets are finalized.

